



COUNTY OF LOS ANGELES

# Public Health

**JONATHAN E. FIELDING, M.D., M.P.H.**  
Director and Health Officer

**CYNTHIA A. HARDING, M.P.H.**  
Chief Deputy Director

313 North Figueroa Street, Room 708  
Los Angeles, California 90012  
TEL (213) 240-8156 • FAX (213) 481-2739

[www.publichealth.lacounty.gov](http://www.publichealth.lacounty.gov)



## BOARD OF SUPERVISORS

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Fifth District

October 11, 2013

TO: Each Supervisor

FROM: Jonathan E. Fielding, M.D., M.P.H.  
Director and Health Officer

SUBJECT: **DEPARTMENT OF PUBLIC HEALTH RESPONSE TO THE AUGUST 13, 2013  
BOARD MOTION REGARDING DRUG MEDI-CAL SERVICES**

On September 18, 2013, the Department of Public Health (DPH) provided an interim response to your Board's August 13, 2013 motion related to Drug Medi-Cal (DMC) services. The interim response summarized the steps that DPH has already taken to improve the DMC program. We also informed you that DPH was collaborating with the Auditor-Controller, County Counsel, and the Chief Executive Office (CEO) on a more comprehensive report in response to the Board motion.

Your Board instructed DPH to:

- Work with the CEO to provide a status report on efforts to re-solicit contracts.
- Develop a protocol for determining the severity of provider deficiencies found during audits and ensure that significant deficiencies are shared with the CEO and the Board; and
- Work with County Counsel on a plan to avoid and mitigate harmful disruptions in care with the report to include estimates of the number of patients affected at each suspended site Countywide, description of the services these patients were receiving, description of the notification about alternative places where they may receive treatment services for substance use disorder, and how they can obtain copies of their written records.

### Efforts to Re-solicit Contracts

In its September 18, 2013 interim response, DPH provided your Board a listing of DPH-Substance Abuse Prevention and Control (SAPC) completed and projected provider solicitations, as follows:

- 2011: Two solicitations (Rate Study and California Work Opportunities and Responsibility to Kids, or CalWORKs)
- 2012: One solicitation (Prevention Services)
- 2013: Two solicitations (Community Centered Emergency Room Project and Master Agreement for Substance Use Disorder Services)
- 2014: Two planned Work Order solicitations (AB 109 Program Services and Probation Camp Services)
- 2015: Two planned solicitations (Prevention Special Populations and General Relief Services)
- 2016: Three planned solicitations (General Programs Treatment Services, Children and Family Treatment Services, and Family Dependency Drug Court Treatment Services)

SAPC will complete planned re-solicitations of all contracted Substance Use Disorder (SUD) services by the end of Fiscal Year 2016-17.

#### Protocol for Determining Severity of Provider Deficiencies

SAPC DMC program monitors conduct unannounced on-site visits to assure providers' compliance with County contract requirements and State laws, specifically Title 9 and Title 22 of the California Code of Regulations. Program monitors evaluate service delivery and administration through the use of monitoring tools for DMC services, and any deficiencies in compliance are identified through the course of the program monitoring.

The types and frequency of the unannounced program monitoring is described below:

Type of Program Monitoring	Description	Frequency
Early Watch	Program monitors conduct an initial site visit within 30 days of contract execution to ensure that providers are aware of DMC program requirements. It is used by SAPC to provide technical assistance and introduce the provider to its assigned program monitor. Deficiencies or denial of claims are not recorded during these visits.	Once; within 30 days of contracting.
Periodic monitoring	It is the primary method the program monitor uses to evaluate whether the provider is complying with County contract and federal and State regulations.	Goal: Once every fiscal year. Monitoring capacity has precluded reaching this goal for all providers each year. DPH is working to augment its monitoring capacity.
Augmentation visit	Augmentation visits are unannounced visits conducted when a provider requests a funding increase, and no on-site visit has been conducted within the prior six months, or when it is not clear that corrective actions required from prior reviews have been implemented.	When service provider requests funding increase

Complaint Follow-up	These are conducted when SAPC receives complaints. Depending on the nature of the complaint, the report and SAPC findings are forwarded to the State to investigate as they have trained investigators and other staff to do in-depth reviews	As needed
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Attachment 1 is a flow chart of the contract monitoring process resulting in suspension, termination, and notification to Board offices, CEO, County Counsel and DPH Executive Management.

On October 1, 2013, SAPC program monitors began field testing a preliminary Severity Index Tool (SIT-Attachment 2) designed to assess the severity of certain types of deficiencies, including administrative/facility and documentation. The tool will be completed during routine program monitoring. Points for each deficiency will be assigned based on the potential risk to the patient, likelihood of fraud, or significant management deficiencies. Depending on the total deficiency score, SAPC will take any of the following actions: 1) require the contractor to address the issue in a corrective action plan; 2) suspend payment until the issues are resolved; 3) suspend the contract; or 4) terminate the contract.

Based on a three-month field test, the SIT will be revised and finalized for implementation during the second quarter of 2014. Refinement of this tool will take into account experience with tools utilized by the State Department of Health Care Services, other jurisdictions and other County offices to assess the severity of deficiencies in contract monitoring. Field testing of the severity index will help in determining when notification of deficiencies needs to go beyond SAPC management to DPH Executive Management, the CEO, and to Board Offices.

SAPC is also planning to implement an integrated web-based system that includes contract, patient, reimbursement, and program monitoring information by July 1, 2014. The program monitoring component will provide a tool for writing, submitting, and tracking corrective action plans for monitoring reports, and the SIT will be incorporated into this integrated web-based application.

Lastly, SAPC is reviewing the role and cost of adding medical personnel as part of the program monitoring team. SAPC will evaluate how best to utilize these medical personnel as part of the monitoring team and how to cover the costs for these additional personnel.

#### Plan to Avoid and Mitigate Harmful Disruptions in Care

##### *Estimates on the Number of Affected Patients Countywide*

An estimate on the number of patients affected at each suspended site Countywide, including a description of the services these patients were receiving, will be provided to your Board by County Counsel. Approximately 5,890 patients are affected. Of these, approximately 480 were referred to treatment because of criminal justice involvement.

#### *Notification Of Alternative SUD Treatment Service Sites*

When a provider closes or ceases operation, SAPC implements the following established procedures to avoid or minimize disruption of service for patients:

- Within 24 hours of program closure, SAPC program monitors try to contact the provider and schedule a time to obtain patient files and assist in referring patients to alternative treatment providers.
- Program monitors post signs in English and Spanish at all closed provider locations, listing telephone numbers patients can call to get assistance transferring to another provider. It is important to note that some of the providers receive funding from multiple sources. Consequently, even though they are no longer serving DMC patients, they may remain open and remove the signs posted by SAPC staff.
- SAPC's website (<http://publichealth.lacounty.gov/sapc/findtreatment.htm>) provides listings of active DMC providers. SAPC also releases public service announcements via Facebook to assist patients who need referrals to other providers by directing them to call the SAPC hotline, the 211 LA County information line, or the nearest Community Assessment Service Center (CASC). Patients who call the 211 LAC information line receive information on active DMC providers. At the CASC, patients get a brief assessment and referral to an appropriate treatment provider. To date, only one provider has expressed interest in increasing their capacity to serve patients who have been displaced as a result of suspensions and there are no wait times at the remaining operating DMC providers.

#### *Patient Access to Treatment Records*

When a provider voluntarily terminates its DMC contract, SAPC arranges to immediately remove and store patient records. Patients may obtain copies of their records by submitting a written request to SAPC. Within seven days of receiving written requests, SAPC will allow patients or their representatives to inspect or copy their treatment records.

Obtaining patient records is more difficult when a provider ceases operations without advance notification, or when the provider is suspended and under State investigation. When a provider closes without warning, SAPC staff members go to the provider site(s) to locate patient records immediately. If patient records are at the site, SAPC removes and stores them. On occasion, SAPC has been unable to acquire patient records because the provider closed without notice. In these cases, SAPC uses its Web-based patient information system to generate available patient-level data. When a DMC provider is suspended and under State investigation, the State Departments of Health Care Services or Justice may confiscate the files, and if SAPC or patients need access to those records, SAPC submits a request to the State.

#### Auditor-Controller and County Counsel Findings and Recommendations

In your August 13, 2013 motion, you also instructed the Auditor-Controller and County Counsel as follows:

County Counsel and the Auditor-Controller:

- Provide an analysis of the County's legal obligations and authority for contracting, auditing, terminating, and providing oversight for DMC providers.

Auditor-Controller:

- Complete a program audit of the DMC program and review the recommendations for program improvement that DPH outlined in its July 26, 2013 memo to the Board; and
- Provide recommendations that would improve the program integrity of all alcohol and drug programs administered by the DPH, not just the DMC program.

DPH will work with the Auditor-Controller, County Counsel, and the CEO to review and implement their recommendations that would improve the program integrity of all SUD services administered by this Department.

Provider Certification

DPH has recommended that the State's certification process for DMC providers be strengthened, and continues to hold discussions with the State regarding ways to achieve improvements. County Counsel's report on the DMC program discusses the option of the State delegating authority to the County to certify DMC providers locally.

This type of authority has previously been delegated by the State, through a federal waiver, to the Department of Mental Health (DMH) to certify providers to provide services in the County's Short-Doyle Medi-Cal mental health program. DPH has had discussions with DMH about the option of obtaining the department's assistance in certifying providers in the County to provide DMC services until the State is able to obtain a waiver that would permit the County to do selective contracting. Local control over certification will assist in gaining control of the DMC provider network to ensure improvement in the quality of service and fiscal accountability.

DPH will return to your Board with a plan that includes time lines for implementation of the above recommendations.

If you have any questions or need additional information, please let me know.

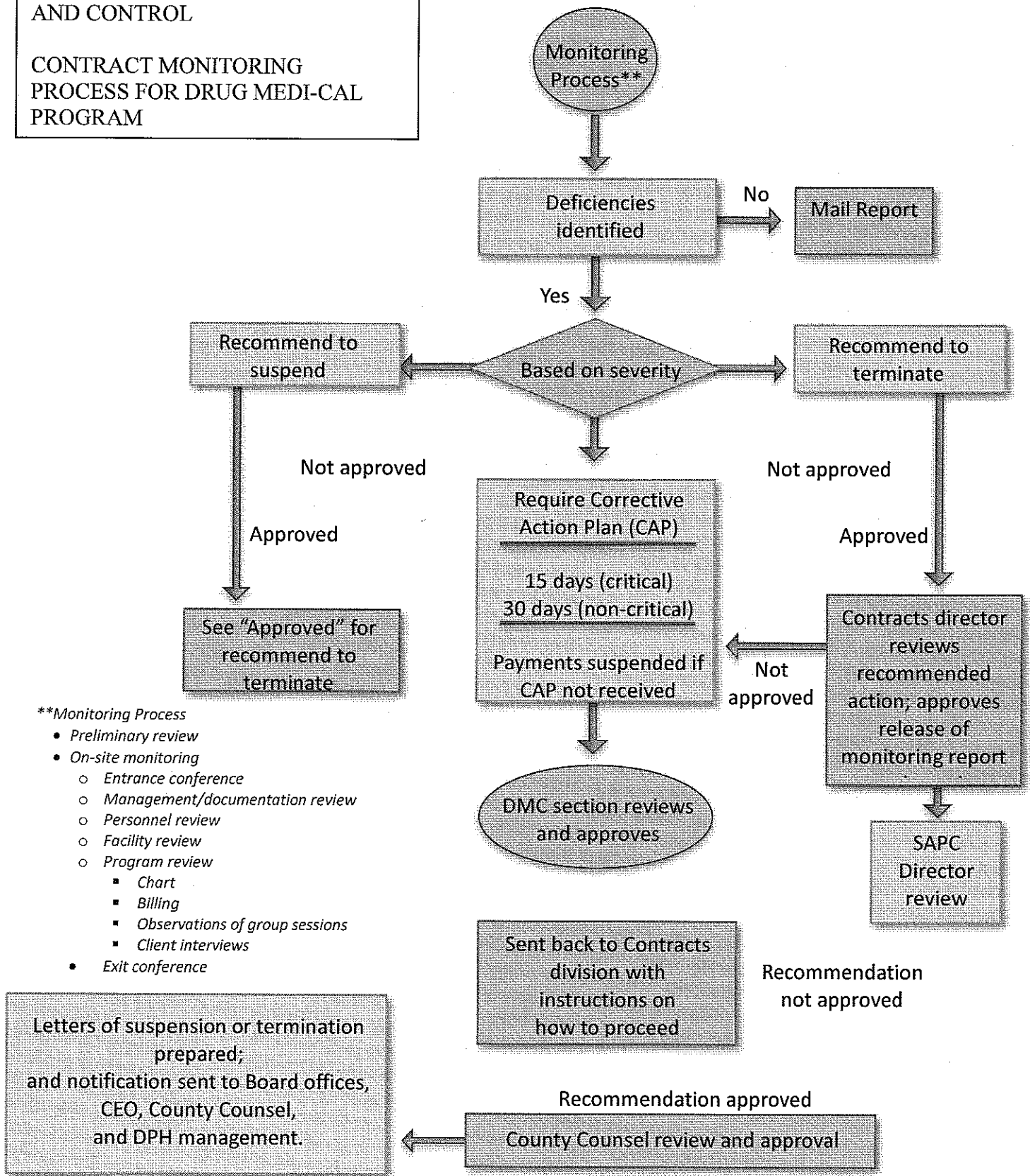
JEF:dhd

Attachments

c: Chief Executive Officer  
County Counsel  
Executive Officer, Board of Supervisors  
Auditor-Controller  
Department of Mental Health  
Department of Children and Family Services  
Probation

# CONTRACT MONITORING PROCESS FOR DRUG MEDI-CAL PROGRAM

Attachment 1



**COUNTY OF LOS ANGELES - DEPARTMENT OF PUBLIC HEALTH  
SUBSTANCE ABUSE PREVENTION AND CONTROL  
CONTRACT SERVICES DIVISION  
SEVERITY INDEX**

Agency Name:

FY:

CPA Name:

Date:

**INSTRUCTIONS:** Based on review of documents place a value on the level of severity in the agency score column. Add the total value for each review section. Once all sections have been reviewed, add each section's total for a grand total. SAPC response will be based on grand total.

**Agency Score**

69 and below

70 - 79

80 - 99

100+

**Action to be taken**

Provider must address issue in CAP

Payment suspended until issue resolved

Contract Suspended

Contract Terminated

		<b><u>SCORE</u></b>	<b><u>AGENCY SCORES</u></b>
<b><u>Reference</u></b>	<b><u>Administrative</u></b>		<b><u>Administrative Review Scores</u></b>
Additional Provisions Paragraph 4.B.	DMC certificate terminated	<b>Termination</b>	
Additional Provisions Paragraph 19	DMC certificate suspended	<b>Suspension</b>	
Additional Provisions Paragraph 4.B.	Failure to report to the proper authorities allegations of child molestation within the time required by law.	<b>Termination</b>	
Additional Provisions Paragraph 4.B.	Services being conducted at uncertified site	<b>10</b>	
Additional Provisions Paragraph 4.B.	Services being conducted at site not in contract	<b>10</b>	
Additional Provisions, Paragraph 19	Corporate Status terminated	<b>5</b>	
Additional Provisions, Paragraph 19	Corporate Status suspended	<b>5</b>	
Contract Exhibit, Paragraph 3	Agency not opened during posted hours	<b>5</b>	
Contract Paragraph 8 & 9	Provider required Insurance is expired or has inadequate coverage	<b>5</b>	
Additional Provisions Paragraph 14.H	Agency has not attended DMC trainings (5 pts per missed training)	<b>5</b>	
<b>ADMINISTRATIVE REVIEW TOTAL:</b>			
<b>NOTES:</b>			

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<b><u>Reference</u></b>		<b><u>Personnel</u></b>	<b><u>Personnel Review Scores</u></b>
STAFF NAMES:			Total Files Reviewed:
Additional Provisions Paragraph 4.B.	No DOJ and FBI clearances for counselors who provide services to youth	15	
Additional Provisions Paragraph 4.C	Substantiated sexual misconduct/harassment towards clients/staff	15	
Additional Provisions Paragraph 5 & 6	Substantiated discrimination towards clients/staff	15	
Additional Provisions Paragraph 14.C(4)	Staff timesheets are missing, incomplete or do not reflect actual time worked	15	
Title 9, Division 4, Chapter 8, Subchapter 2, Section 13010	Counselor certification/registration expired or non-existent	10	
Additional Provisions Paragraph 8	Missing, Incomplete or non-existent personnel files	5	
STAFFING TOTAL:			
<b>NOTES:</b>			



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<b><u>Reference</u></b>	<b><u>Client File Review</u></b>	<b><u>Client File Review Scores</u></b>
CHART NUMBERS:		Total Charts Reviewed:
Exhibit Paragraph 9.D, June 3, 2010 Memo, Title 22 Sec. 51341.1(h)(2)(A)(ii)(b)	Pre-dated, pre-generated or back-dated treatment plans, progress notes, or admission documentations	25
Exhibit Paragraph 9.D, June 3, 2010 Memo, Title 22 Sec. 51341.1(h)(2)(A)(ii)(b)	Pre-dated and/or pre-signed (by client) group sign-in sheets	25
Title 22 Sec. 51341.1(h)(3)	Documentation for Individual sessions do not meet the DMC criteria	15
Title 22 Sec. 51341.1(h)(3)(A)(i)	Incomplete or missing attendance records to support counseling sessions (i.e., sign-in sheets)	10
Title 22 Sec. 51341.1(h)(3)(A)(i), Exhibit, Paragraph 5	Services billed without sign in sheets to verify services	10
Exhibit Paragraph 7, 8.A, 9 & Title 22 Sec. 51341.1(h)(1)(A)(ii)	No or inadequate admission documents	5

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Title 22 Sec. 51341.1(h)(3)(A)(i), Exhibit, Paragraph 5	Groups are not within minimum/maximum participant requirements	5	
Exhibit Paragraph 12	LACPRS admission and discharge data entered into database accurately and no later than the last day of the reporting month	5	
Title 22 Sec. 51341.1(h)(3)(A)(i), Exhibit, Paragraph 5	Incomplete progress notes	5	
Title 22 Sec. 51341.1(h)(3)(A)(i), Exhibit, Paragraph 5	Incomplete sign-in sheets	5	
Title 22 Sec. 51341.1(h)(2)(A)(iii)(a)	Late treatment plan updates	5	
Title 22, Section(h)(5)(i)(ii)(D):	Late, early or missing six- month or annual extension justifications for continued treatment	5	
CLIENT FILE REVIEW TOTAL:			
<b>NOTES:</b>			

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<u>Reference</u>	<u>Medical Personnel Review</u>	<u>Medical Personnel Review Scores</u>
Medical Director Name:		
Medical License Number:		
Title 22 Sec. 51341.1(h)(1)(A)(iii)(b)	No medical history documented in intake	15
Title 22 Sec. 51341.1(h)(1)(A)(iii)(b)	No physical exam/medical waiver or elements missing that would enable the Medical Director to establish medical necessity for treatment	15
Exhibit Paragraph 7, 8.A & Title 22 Sec. 51341.1(h)(1)(A)(ii)	No history of substance use/abuse documented in intake	15
Exhibit Paragraph 9, Sec.	Medical director (MD)/physician's signature and date stamp used but not endorsed by MD/physician through original signature or initials	15
Exhibit Paragraph 9.Y	No clearance from mental health physician for those with co-occurring disorder, to verify that patient will benefit from participation in substance use treatment.	15
Contract Exhibit Paragraph 9	MD/physician's license has expired.	15
Exhibit Paragraph 9.C	No medical director signature and date on treatment plan	10
<b>MEDICAL PERSONNEL REVIEW:</b>		
<b>NOTES:</b>		

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<b><u>Reference</u></b>	<b><u>Performance Review</u></b>		<b><u>Performance Review Scores</u></b>
Additional Provisions Paragraph 14.H	Agency has been cited for same deficiency for last 3 consecutive years	<b>25</b>	
Additional Provisions Paragraph 14.H	Agency has been cited in previous audits for same deficiencies	<b>15</b>	
Contract Agreement, Paragraph 10	Failure to comply with other Government entities regulations (School MOU's, Minor Consent, etc.)	<b>10</b>	
Contract Agreement, Paragraph 10	Agency has been cited for same deficiencies by State Analysts.	<b>10</b>	
Title 9, Section 10581 [a]	Facility does not meet HIPPA/Confidentiality requirements	<b>10</b>	
Contract Exhibit, Paragraph 9	No scheduled groups were conducted during entire duration of audit	<b>5</b>	
Contract Exhibit, Paragraph 9	No clients were made available for interviews during duration of audit	<b>5</b>	

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Additional Provisions Paragraph 14	CPA is able to gather information during activity observations and client interviews that suggest questionable business practices	5	
Additional Provisions Paragraph 14	Through the course of conducting audit CPA encounters information that suggest questionable practices	5	
Title 9, Section 10581 [a]	Facility is not clean, safe, sanitary and in good repair for the safety and well being of residents, employees and visitors.	5	
Additional Provisions Paragraph 14.H	Agency has not complied with SAPC requests to respond to emails, questionnaires, surveys, or other SAPC directives	5	
Additional Provisions Paragraph 14.H	Agency has not been forthcoming in providing CPA documentation in a timely manner while conducting audit	5	
PERFORMANCE REVIEW TOTAL:			
<b>NOTES:</b>			
<b>AGENCY SCORE TOTAL:</b>			
<b>SAPC ACTION TO BE TAKEN:</b>			